THE PLUG POWER GAME PLAN

September 1999

FUEL CELLS
FOR THE RESIDENTIAL MARKET

Plug Power

A Residential Fuel Cell . . .

Plug Power

- Generates electricity to power an entire home
- Is the size of a refrigerator
- Uses natural gas
- Can also provide heat and hot water
- Is unaffected by ice storms, lightning strikes, and severe winds

. . . And generates electricity for less than what it costs today!

About Fuel Cells

Plug Power

Efficient

- Higher conversion efficiency than a central generation station . . . (>40% vs. <35%)

Cleaner

- No combustion by-products

Versatile

- Operates on natural gas, propane, methanol, gasoline, et al

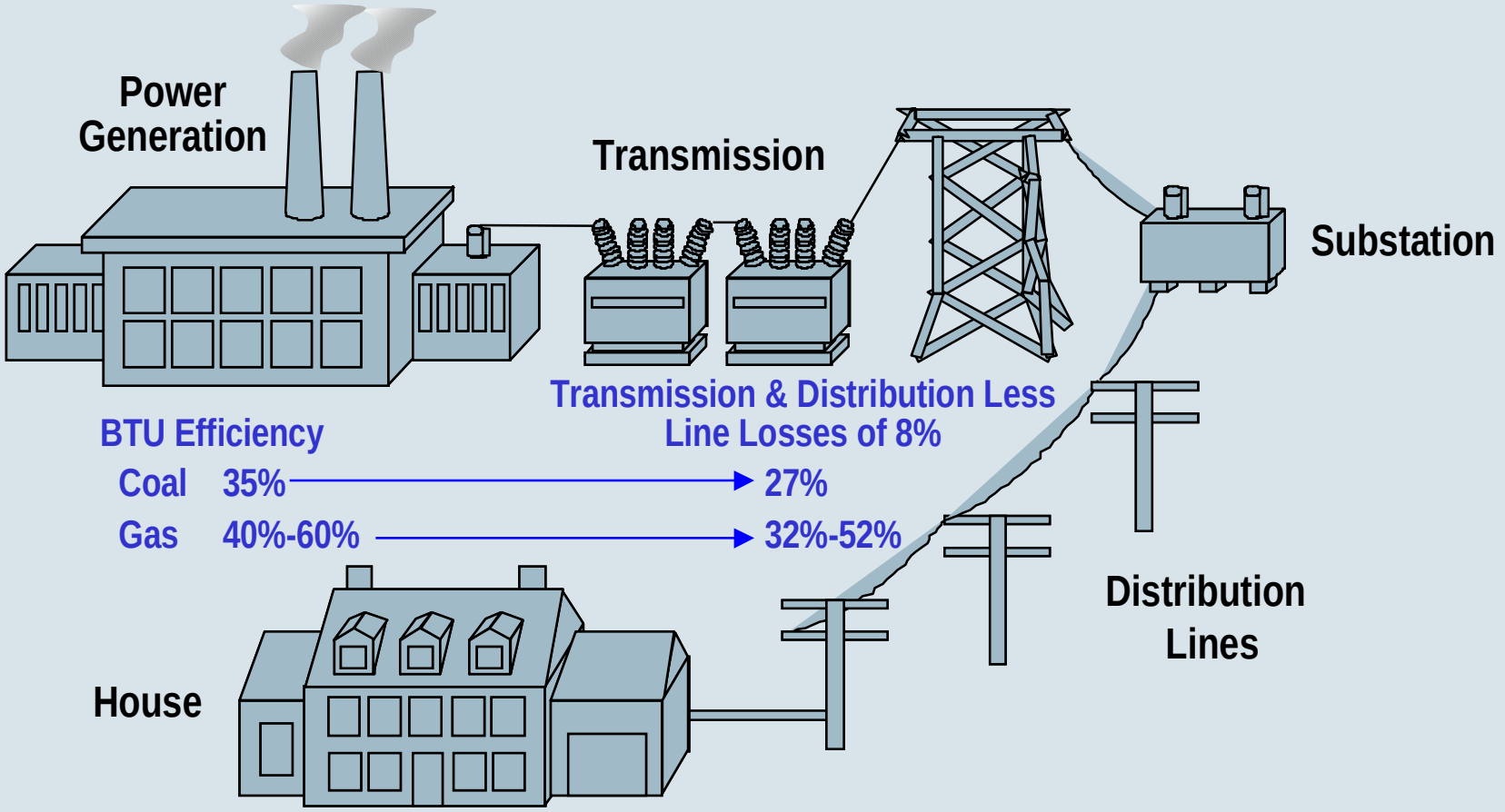
Economical

- Lower cost alternative to central station plant and grid transmission

Fuel cell technology is inherently superior

Efficiency of Conventional Grid

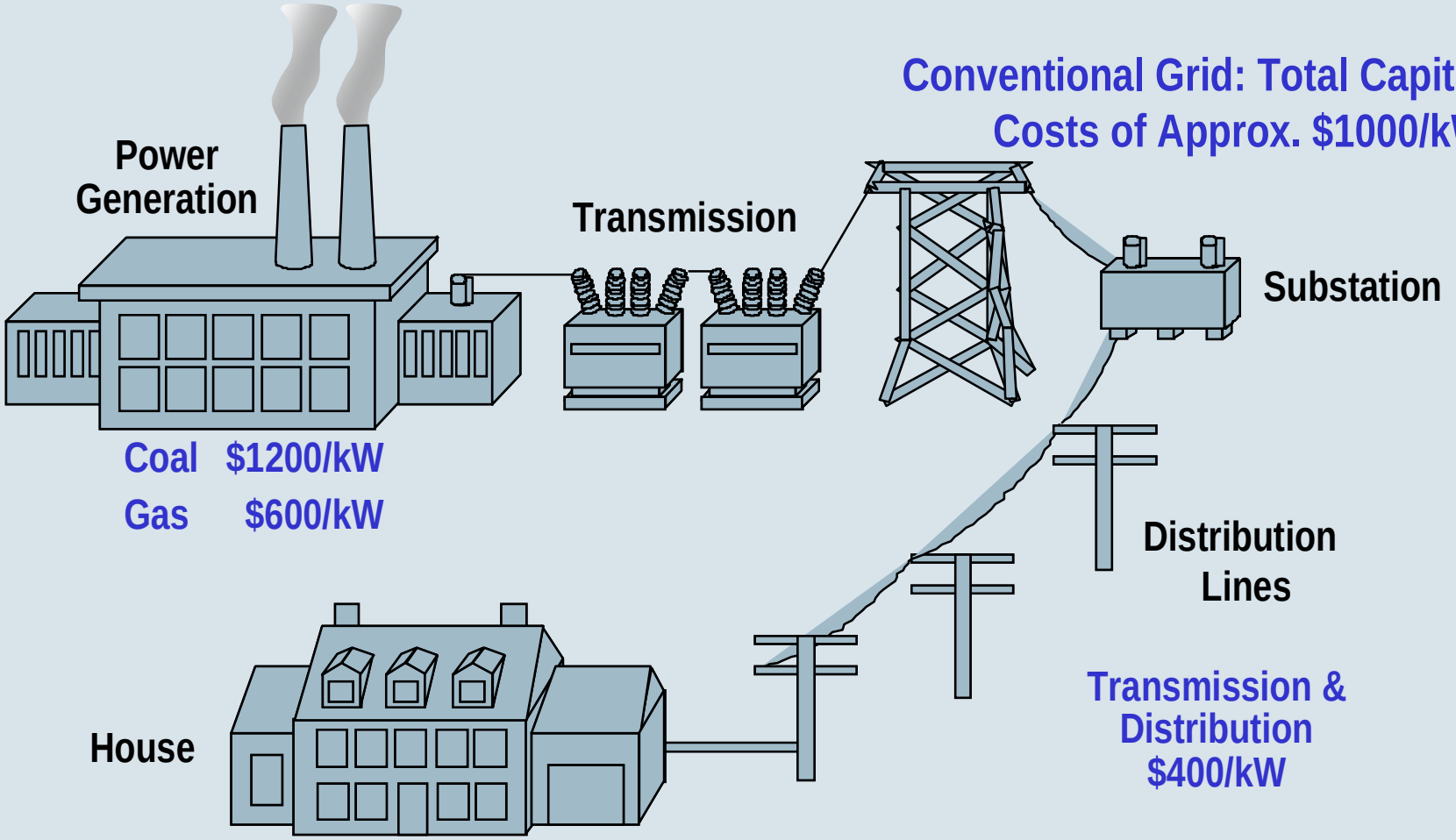
Plug Power



Fuel cell initial target is 40% efficiency on electricity only - recovery of waste heat will increase efficiency.

Build-Out Costs: Conventional Grid

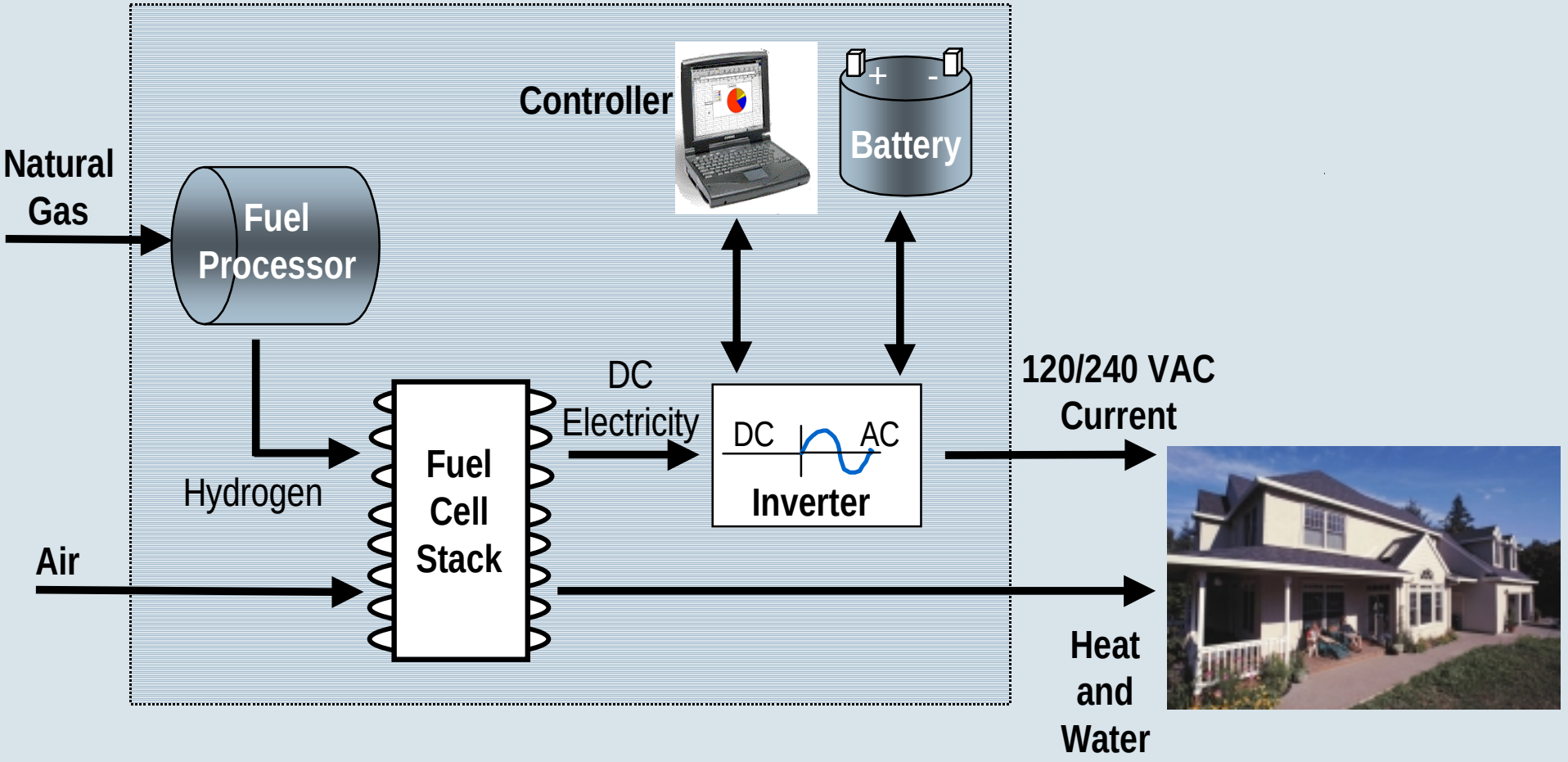
Plug Power



Fuel cell cost targets at $500/kW - $1000/kW

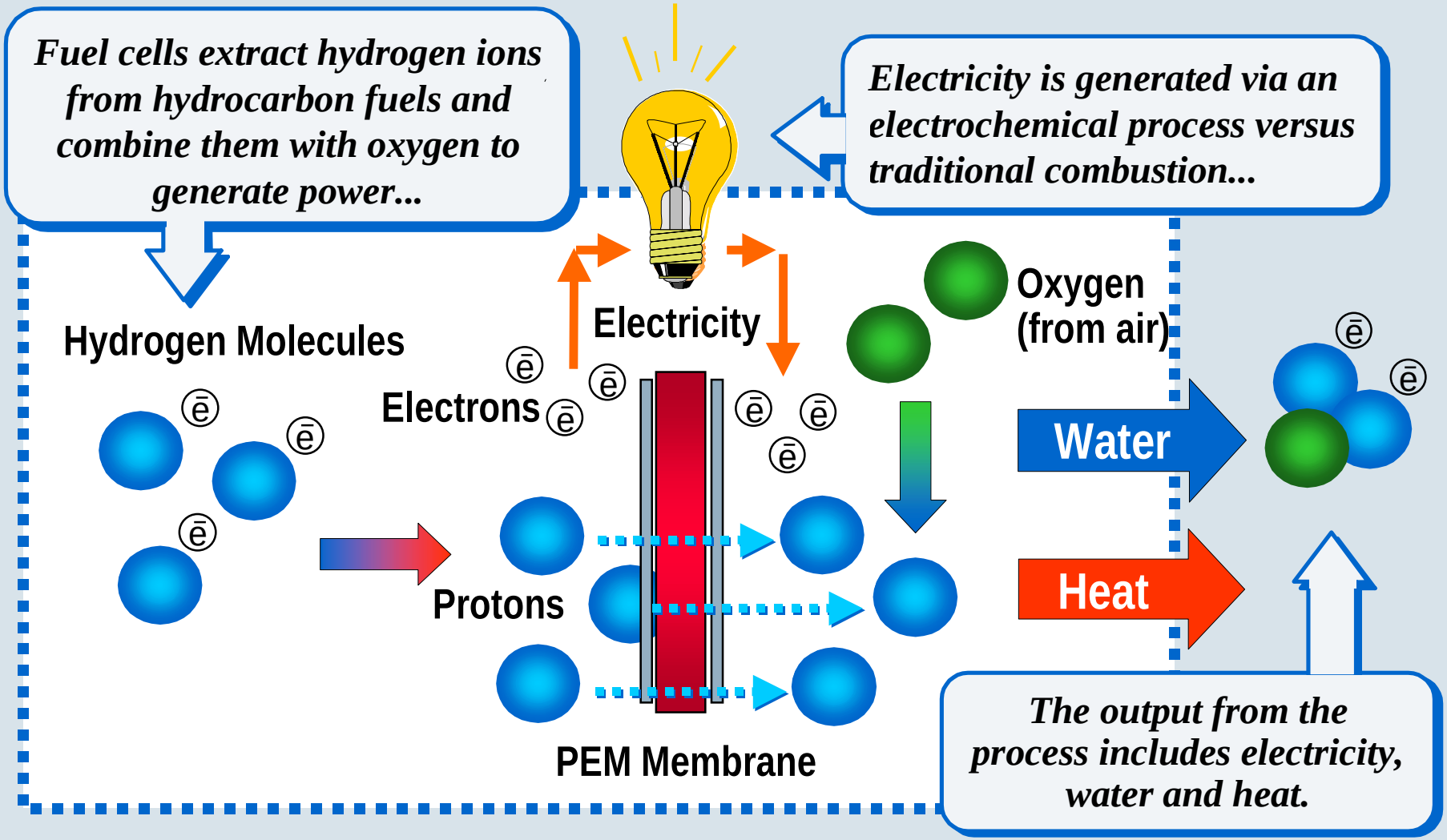
Residential System

Plug Power



How Fuel Cells Work

Plug Power



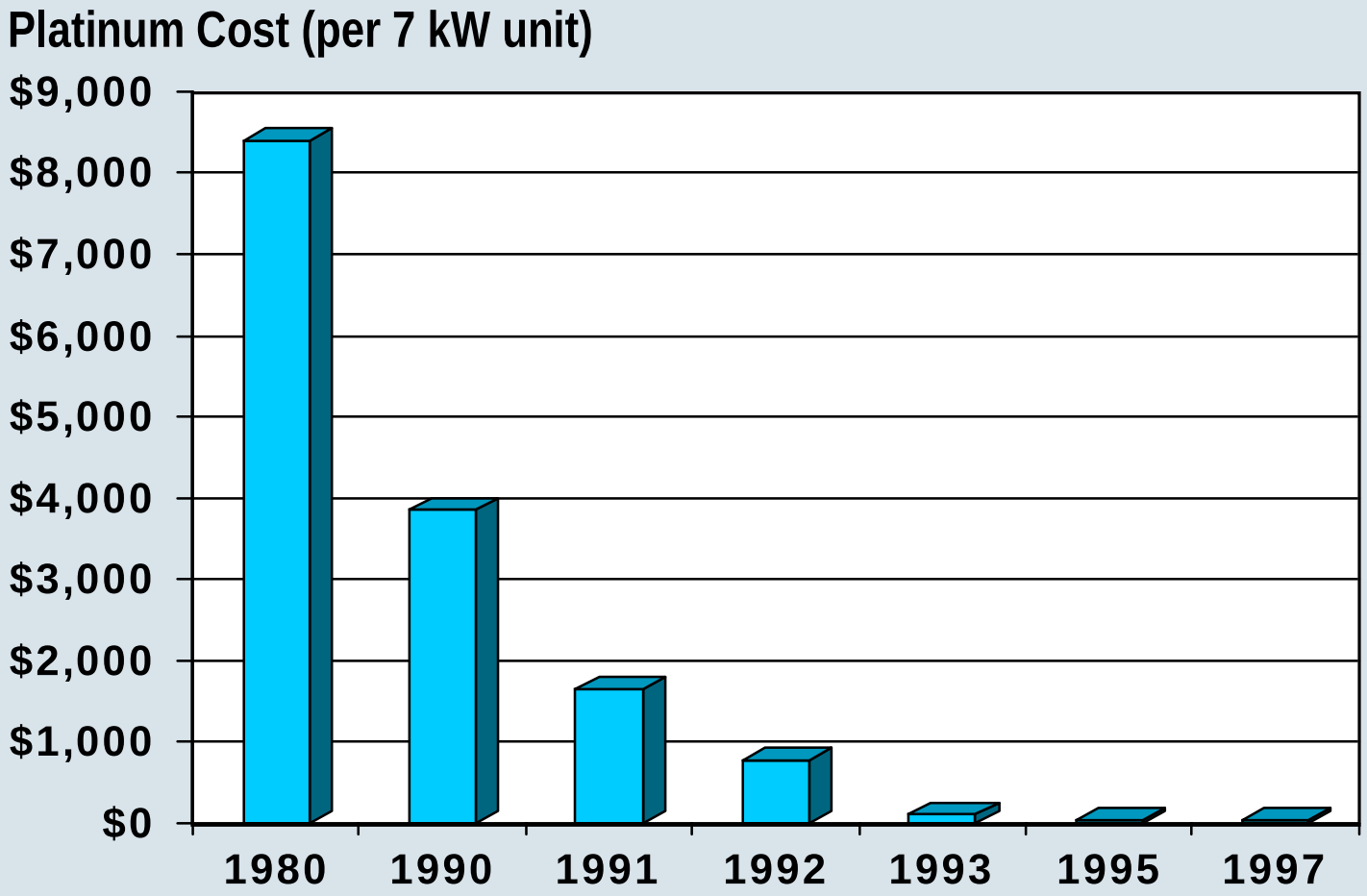
A Well-known Technology

Plug Power

- **Established** → Discovered in 1839
- **Proven** → Used extensively by NASA
- **Versatile** → Can be used in numerous applications
- **Far-Reaching** → Market potential for fuel cells is huge

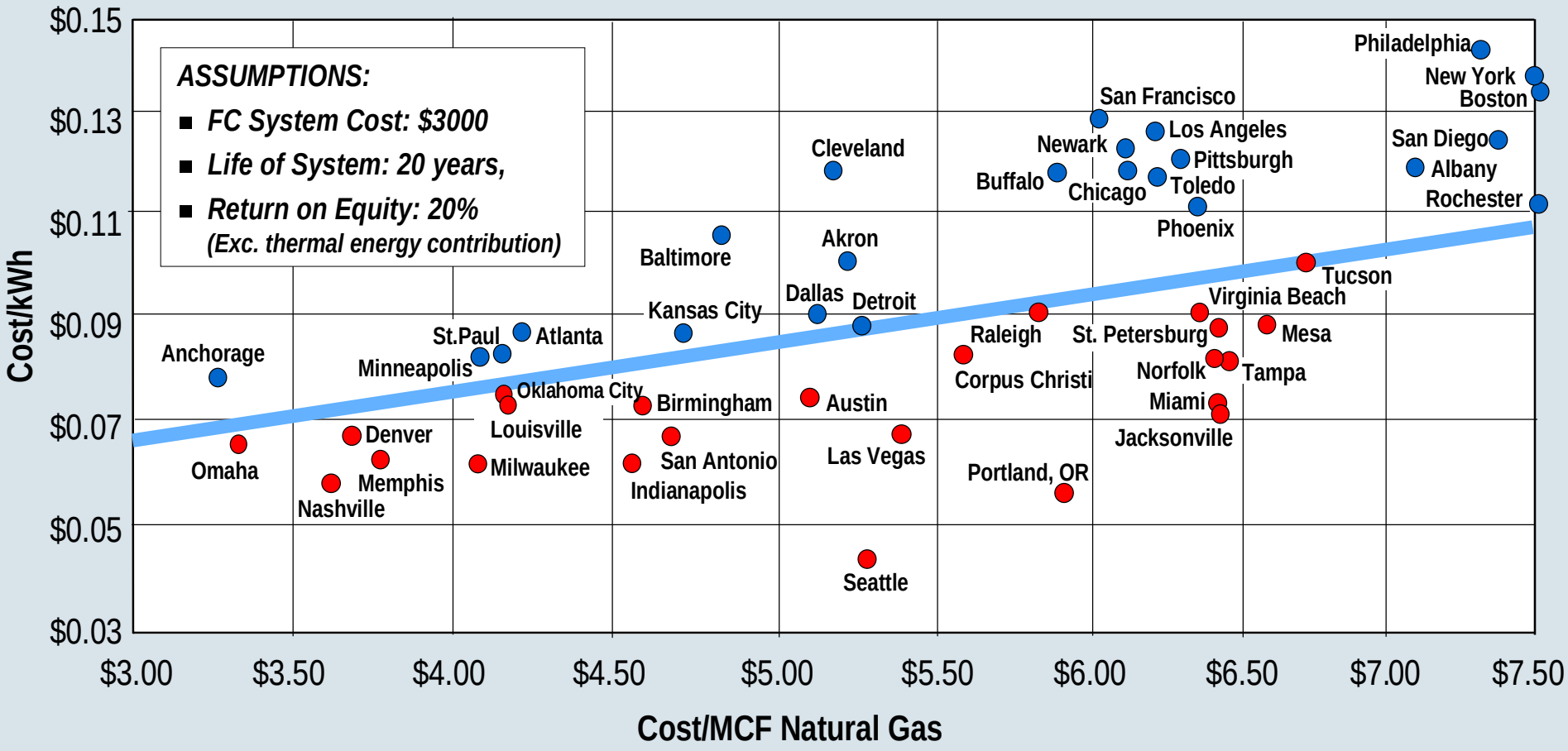
The Magic Is Out of the Bag

Plug Power



Reduced platinum loading and improved performance reduce cost

U.S. Market… 25 Million Houses



Fuel cell systems will be competitive in numerous areas

European Market Size

Plug Power

Country	Households (Million)	1997 Grid Cost (¢/kWh)	Fuel Cell NG Cost (¢/kWh)	Spread (¢/kWh)
Belgium	4.0	19.1	10.0	9.1
Austria	3.1	19.2	10.3	8.9
Germany	36.4	18.0	9.7	8.3
Netherlands	6.4	14.8	8.0	6.8
France	22.8	16.4	10.4	6.0
Spain	12.0	19.1	13.5	5.6
UK	24.3	12.5	7.2	5.3

High electric rates & strong environmental concern make fuel cells an attractive option in Europe

Global Market Size

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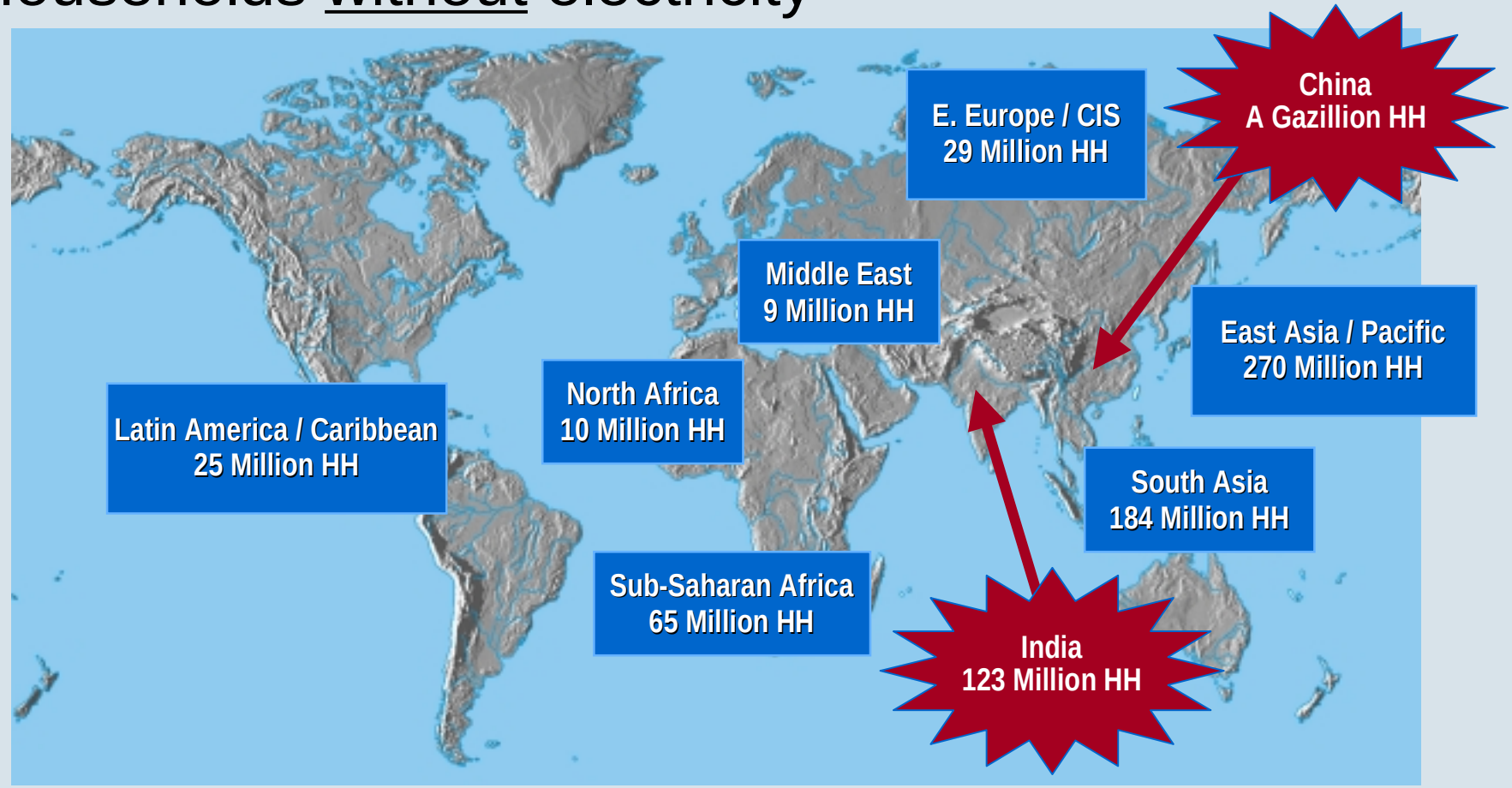
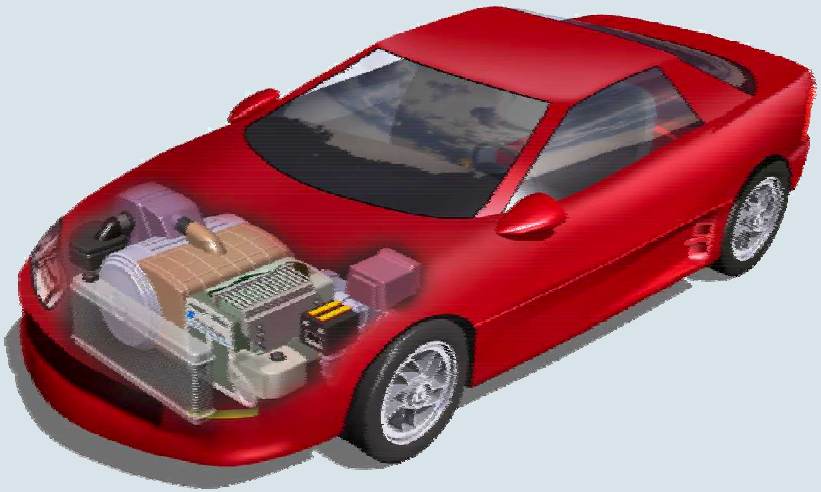
Households without electricity



Developing regions have huge potential

Automotive Requirements

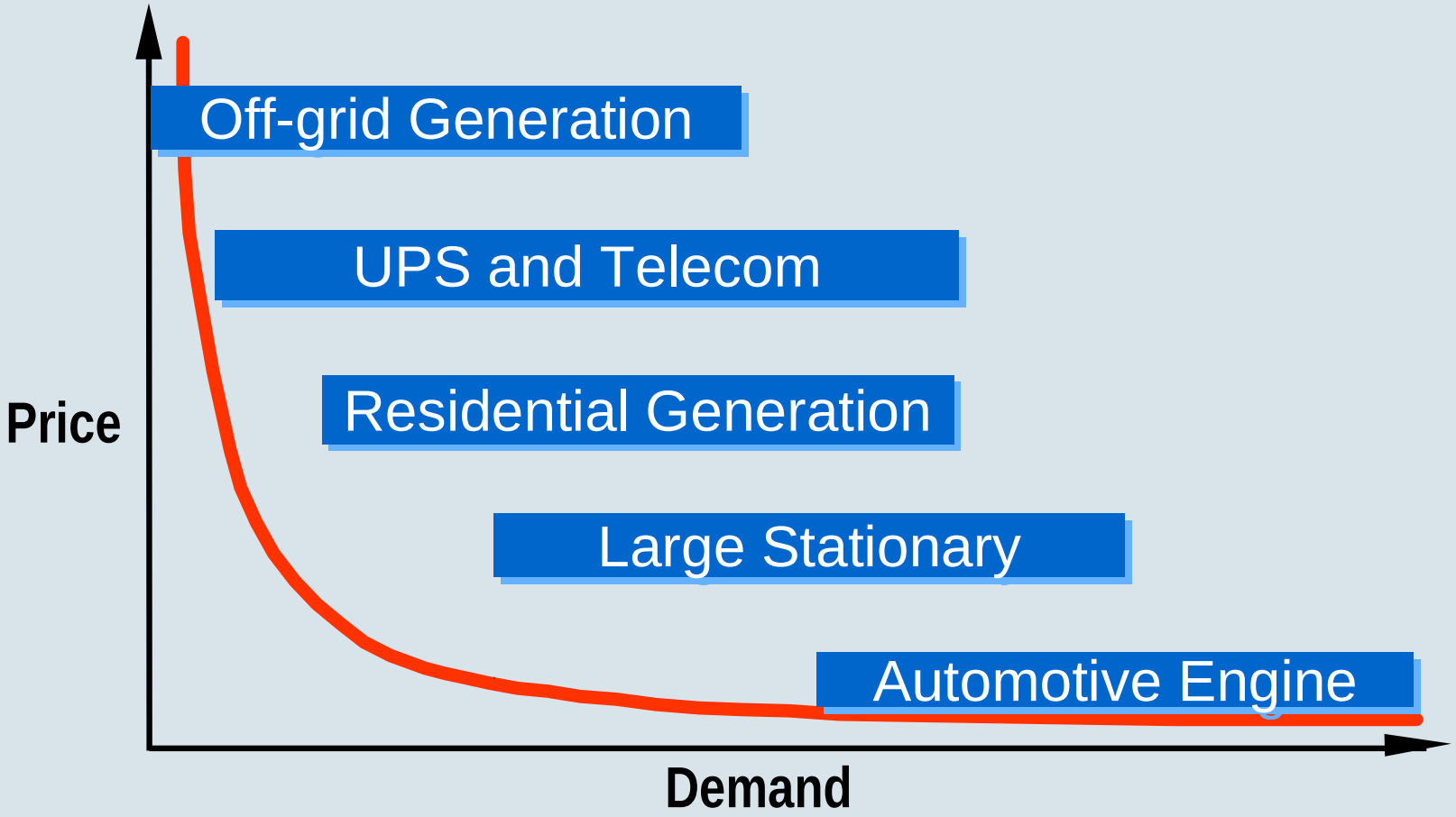
Plug Power



- $50 - $100 per kilowatt cost target
- Small in size
- Lightweight
- Shock resistant
- Quick start-up and response times
- Freezing temperature resistant

Mass production of automotive fuel cells 6 - 10 years away!

Road to Market Penetration



Fuel cells have the potential to penetrate broad markets

About Plug Power

- Plug Power – founded in June, 1997 as 50/50 JV between DTE Energy and MTI
- Formed GE Fuel Cell Systems in February 1999 as a JV between Plug Power and GE
- DTE Energy – Parent company of Detroit Edison, Michigan's largest electric utility - serves >5 million people
- MTI – Leading technology developer with over 7 years of fuel cell development experience

Plug Power is a large U.S.-based PEM fuel cell company with over 260 employees

1997 Milestones

Plug Power

June

DTE and MTI form a new joint venture -- Plug Power with 22 employees

July

U.S. Department of Energy Program for Research & Development award of $15 million received

October

Plug Power converts gasoline to electricity with ADL / EPYX, DOE and Los Alamos National Laboratory

1998 Milestones

Plug Power

January	$1 million grant from Empire State Development Corporation announced
February	Plug Power and Los Alamos National Laboratory establish CRADA (Cooperative Research and Development Agreement)
May	The National Energy Resources Organization awards Plug Power R & D Innovation Award
June	Plug Power unveils world's first fuel cell powered house
August	MTI / DTE second round financing
September	Plug Power delivers fuel cell system to Sandia National Laboratories for DOE - sponsored evaluation program
October	$9.8 million NIST award to develop next generation MEA
November	Plug Power demonstrates fuel cell system running on methanol
December	Plug Power successful demonstration of natural gas-based fuel cell systems
December	Plug Power receives $6 million award from New York State Energy Research & Development Authority
Year - End	Plug Power head count rises to 140 employees

1999 Milestones

Plug Power

January	Plug Power demonstrates Ford/DOE automotive system
February	GE Fuel Cell Systems joint venture formed
March	U.S. Department of Energy announces multi-million dollar award to Plug Power for two research & development programs
March	Long Island Power Authority makes multi-million dollar purchase of Plug Power test & evaluation units
April	SoCalGas invests in Plug Power
April	GE Fuel Cell Systems signs MOU with NJR
May	Plug Power runs high efficiency / low emission fuel cell system on gasoline
June	Plug Power breaks ground for 50,000 ft^2 manufacturing facility
June	GE Fuel Cell systems signs MOU with Flint Energies

Pathway to the Market

Plug Power

GE Fuel Cell Systems will exclusively distribute, install and service Plug Power residential and small commercial fuel cell systems on a worldwide basis

MASSIVE EXISTING NETWORK	GE has the largest global sales & service network in the power systems industry with 130 sales & engineering offices
NAME RECOGNITION	GE - Plug Power co-branding
MULTI-TIER DISTRIBUTION	Local gas distributors, HVAC, energy service companies, electric utilities, retailers will sell directly to end user

GE brand provides significant customer recognition

Mission Statement

Plug Power's goal is to be the first company to make and sell one million fuel cell systems.